

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

InfoW, LLC) CASE NO: 22-60020
and)
IWHealth, LLC,) Monday, June 8, 2022
Debtors.) 9:01 A.M. to 9:08 A.M.
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MOTION HEARING

BEFORE THE HONORABLE CHRISTOPHER M. LOPEZ
UNITED STATES BANKRUPTCY JUDGE

APPEARANCES:

For Debtors: KYUNG SHIK LEE
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Court Reporter: R. WILLBORG

Courtroom Deputy: KIMBERLY PICOTA

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1 HOUSTON, TEXAS; MONDAY, JUNE 13, 2022; 9:01 A.M.

2 P R O C E E D I N G S

3 THE COURT: Okay. Good morning, everyone. This
4 is Judge Lopez. Today is June 10th. We have called the 9
5 a.m. docket, InfoW, et al. here on a hearing. Let me go
6 ahead and take appearances while I begin with appearances in
7 the courtroom.

8 MR. SHANNON: Good morning, Your Honor. R.J.
9 Shannon of the new law firm Shannon & Lee LLP on behalf of
10 the Debtors in this case. Mr. Marc Schwartz, the Debtor's
11 CRO is also in the courtroom. And I believe you'll be
12 hearing from Mr. Kung Lee.

13 THE COURT: Okay. I see you there, Mr. Lee. Can
14 you hear me okay?

15 MR. LEE: Yes. Yes, Your Honor. Can you hear me?

16 THE COURT: Just fine. Good morning, sir.

17 MR. LEE: Good morning, Your Honor.

18 MR. RUFF: Good morning, Your Honor. Jayson Ruff
19 for the U.S. Trustee's Office.

20 THE COURT: Good morning, Mr. Ruff. Ms. Haselden,
21 can you hear me okay?

22 MS. HASELDEN: Good morning, Your Honor.

23 THE COURT: Good morning. That's the Sub-Chapter
24 5 Trustee. Does anyone else wish to make an appearance in
25 this case? Okay, I saw that a stipulation between the

1 United States Trustee's Office and InfoW LLC, et al., was
2 filed June 1st. And it includes -- it's actually a
3 dismissal of the case. We had a hearing today. I thought
4 it was important to just -- since it was filed on the docket
5 and we had a hearing -- just to give everyone and anyone an
6 opportunity to respond to the stipulation and tell me
7 anything that they wished. I will tell everyone from the
8 outside that I have reviewed the stipulation. I have a kind
9 of a technical question, but I'm comfortable with signing
10 it, if that's what the parties are still asking me to do.

11 So, unless the parties wish to tell me something,
12 I can ask my question. But why don't I open it up? Mr.
13 Ruff, you're in the courtroom, I could turn it over to you,
14 sir.

15 MR. RUFF: Thank you, Your Honor. You know, no
16 changes. The stipulation still stands.

17 THE COURT: Okay.

18 MR. RUFF: So, if Your Honor does have any
19 questions, I'd be happy to answer those.

20 THE COURT: Okay. Mr. Shannon, is there anything
21 you wish to tell me?

22 MR. SHANNON: Your Honor, I have nothing to add.

23 THE COURT: Okay. So, the only technical question
24 I had -- and really just so I understand the process -- I
25 understand within ten days of me signing this order, so --

1 the Sub-Chapter 5 Trustee is going to file the final
2 application and everybody has the right to object. And
3 then, Ms. Haselden, I guess we'll take whatever fees are
4 allowed, deduct them from (indiscernible) and return it to
5 the Debtors. What does return to the Debtors mean? I just
6 want there to be clarity on what that means and maybe I'll
7 understand it. I just want to make sure that --

8 MR. RUFF: Yeah, so she's -- so, the way it's set
9 out in the order is upon the Court's entry of the order, the
10 Debtors will refund to Ms. Haselden \$25,000 for her to hold
11 in her -- trust in her IOLTA account. She will then apply
12 for fees and the last I spoke with Ms. Haselden, she
13 believed her fees would probably be a little bit, you know,
14 below that amount. So, it was anticipated that there would
15 be some additional funds after she applied whatever is in
16 her IOLTA to the approved fees, and then she would just
17 return to the Debtors the excess amount.

18 THE COURT: That's fine. Ms. Haselden, I just
19 want to make sure that you know kind of what that really
20 means in terms of where you're going to return it and to
21 whom. And I don't need -- we don't need to put it in the
22 stip, as long as everybody's clear as to kind of where the
23 amount's going to go so there's no confusion in that on the
24 backend. I -- we don't need to add it to the stipulation.
25 I just want to make sure. And today's not the day to take

1 that up. I just want everyone to kind of know it -- to the
2 extent we need to work out the logistics on that. Just so
3 everybody's really clear -- Ms. Haselden's going to wire it
4 or write a check to -- and to whom it goes and the specifics
5 on that, just to -- because I don't think these Debtors have
6 a bank account. So, returning it to the Debtors is just a
7 logistical question we don't need to take up today. But
8 that's not going to hold me up from signing the stip.

9 MR. SHANNON: And, Your Honor, I can answer your
10 question. The Debtor IWHealth LLC does have a bank account.
11 That is where the funds are going to be coming from and
12 that's where they should go back to.

13 THE COURT: Got it. Okay.

14 MR. SHANNON: How Ms. Haselden wants to do that
15 with a check, wire, ACH --

16 THE COURT: Why don't -- why don't you all work
17 that out? I'm okay with it. Okay. I don't think there's
18 much for me to say. I think the stipulation deals with
19 everything. I don't anticipate, aside from signing an order
20 approving fees at whatever -- and everybody's right to
21 reserve an amount -- I'm not taking anything else out after
22 this?

23 MR. RUFF: That is correct, Your Honor.

24 THE COURT: Okay. That's the -- that's the other
25 clarifying point I wanted to make sure --

1 MR. RUFF: We just -- we just thought it was
2 appropriate for the Court to retain jurisdiction just for
3 that.

4 THE COURT: Okay. No, no, no, and I'm happy to do
5 that. And I think that all makes sense. I just want to
6 make sure everybody's clear --

7 MR. RUFF: Yes.

8 THE COURT: -- that really by signing the
9 stipulation, the case is over, with the exception of Ms.
10 Haselden's remaining fee. So, Mr. Schwartz, I thank you for
11 your time on this case. I asked you to essentially be the
12 CRO and to -- and I respect your decision. It sounds like,
13 from what I can tell, you thought long and hard about it and
14 that's all I can ask you to do.

15 So, I've signed the stipulation. Mr. Lee, Mr.
16 Shannon, thanks, Mr. Ruff, thank you for your participation,
17 Ms. Haselden. Thank you again to everyone and I'll sign the
18 order. It'll hit the docket, I don't know, within the next
19 30-40 minutes. We consider the case dismissed, just
20 retaining jurisdiction as to Sub-Chapter 5 Trustee fees.
21 And everyone have a good day. Thank you.

22 SEVERAL: Thank you, Your Honor.

23 (Whereupon these proceedings were concluded at
24 9:08 A.M.)

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I N D E X

RULINGS

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Motion to Dismiss GRANTED

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C E R T I F I C A T I O N

I, Sonya Ledanski Hyde, certified that the foregoing transcript is a true and accurate record of the proceedings.

A handwritten signature in cursive script that reads "Sonya M. Ledanski Hyde". The signature is written in dark ink and is positioned between the 5th and 6th line numbers.

Sonya Ledanski Hyde

Veritext Legal Solutions

330 Old Country Road

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Mineola, NY 11501

Date: June 21, 2022